

NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

Annual Report and Accounts

for the year ended 31 March 2018





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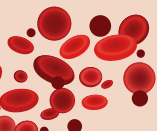
Annual Report and Accounts

For the year ended 31 March 2018

Laid before the Northern Ireland Assembly under Article 90(5) of the Health and Personal Social Services (NI) Order 1972 by the Department of Health

on 6 July 2018





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I AND THE BOARD WOULD LIKE TO THANK AND CONGRATULATE EACH DONOR FOR THIS SELFLESS AND GENEROUS GESTURE FOR THE GOOD OF OTHERS.

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CHAIRMAN'S STATEMENT

The Northern Ireland Blood Transfusion Service (NIBTS) is the only provider of blood products and services to the people of Northern Ireland. During the past year the Service has successfully met all its requirements for blood and blood products and associated clinical services.



Our achievements over the past year have been made possible by our donors through their selfless dedication in every part of Northern Ireland. They are the irreplaceable core around which we work and upon which many common treatments in our hospitals depend. I and the Board would like to thank and congratulate each donor for this selfless and generous gesture for the good of others.

The safety of blood, blood products and services that NIBTS offers to the health service is paramount and is subject to independent inspection by the Medicines and Healthcare Products Regulatory Agency (MHRA). These inspections provide an essential element of independent assurance to patients, their families and other hospital users on the safety and quality of our blood products and services. The inspections require the Board and our staff to concentrate on continuous improvements to our quality control and assurance systems and working practices with a constant focus on maintaining exacting standards to enable the service to provide the level of assurance required to the users of its blood products and to the regulatory authorities. An inspection from the MHRA in 2017 demonstrated that we have met these standards over the past year and safety and quality will continue to be a focus of the Board's work over the next year.

We are, as ever, wholly dependent on the dedication and professionalism of our staff in meeting the standards of excellence which we are required to achieve. Their commitment sets a notable example. On behalf of the Board I wish to thank them for all that they have achieved in the past year. I am also grateful for the work and support of my colleagues on the Board over the past year.

I look forward to working with Board colleagues, with the staff and with our donors in the coming months to ensure that we continue to meet the needs of the Health Service and the people of Northern Ireland.

A handwritten signature in black ink that reads "Jim Lennon". The signature is written in a cursive, flowing style.

Jim Lennon
Chairman
28 June 2018

NIBTS HAS ESTABLISHED ROBUST POLICIES AND PROCEDURES TO ENSURE EQUALITY IN THE WORKPLACE



PERFORMANCE REPORT

The Overview section below describes the history, organisation, structure and services provided by NIBTS. The Agency's main service users and the external environment within which the organisation operates is described in further detail below.

1. Overview

1.1 Brief History

NIBTS was established in 1994 as an independent Special Agency of the Health and Personal Social Services in Northern Ireland. It is the sole supplier of blood and blood products to Health and Social Care (HSC) in Northern Ireland. The Agency is funded through service and budget agreements with the Health and Social Care Board (HSCB) and HSC Trusts to recover the cost of services provided.

1.2 Facilities and Services

NIBTS operates from its headquarters on the Belfast City Hospital site which incorporates:

- Whole blood and plateletpheresis collection unit
- Processing and testing laboratories
- Donor administration
- Medical team
- Nursing team (which provides staff for headquarters and mobile donation units that collect blood around the eastern area of Northern Ireland)
- Quality department incorporating the quality control laboratories
- Corporate functions including Finance and HR

Additionally, NIBTS has a satellite blood collection team based in the Tyrone and Fermanagh Hospital in Omagh. There is also a donation facility in College Street, Belfast and a purpose-built BloodMobile Unit that supports the collection of blood across Northern Ireland.

1.3 Equal Opportunities

NIBTS has established robust policies and procedures to ensure equality in the workplace. This includes an overarching Equal Opportunities policy as well as specific procedures in relation to disability. Further reference on our Equal Opportunities policy can be found at page 40 of this report.

1.4 Structure, main services and users

NIBTS is managed by a Senior Management Team led by the Chief Executive that reports through a Board of Directors chaired by a non-executive Chairman supported by three non-executive members and the Chief Executive.

NIBTS is required to respond to the needs of the health service in Northern Ireland and therefore works with HSC Trusts to establish the anticipated needs for blood components. Together with historical data information from the UK Blood Services Forum and the European Blood Alliance future demand is predicted.

There has been a reduction in the demand for blood components in 2017/18. This is reported as 8% for red cell components and 10% for platelet components.

These reductions are linked to an active programme led by the Northern Ireland Transfusion Committee with input from the NIBTS medical team. A number of targeted interventions which include:

- the application of lower minimum thresholds for transfusion
- single unit component transfusions routinely
- the deployment of a medication known as tranexamic acid which is effective in controlling bleeding and reducing bleeding in patients who are at risk
- early intervention in the diagnosis and management of iron deficiency anaemia


1.5 The external environment

NIBTS works closely with patients, donors and colleagues across a number of disciplines in the Health and Social Care Trusts as well as the Department of Health in Northern Ireland, Health and Social Care Board (HSCB), the Public Health Agency (PHA) and the Patient and Client Council (PCC).

The Agency holds a blood establishment authorisation licence issued by MHRA for the collection, testing, processing, storage and distribution of blood components. In addition a wholesale distributor's licence for plasma products is also retained.

The Blood Safety and Quality Regulations (BSQR) 2005 (as amended) require adherence to Good Manufacturing Practice principles supported by a quality management system. The organisation is committed to retaining its licences and maintaining a state of readiness for licensing inspection visits.

Although the core function of NIBTS is to supply blood and blood products for the needs of patients in Northern Ireland, NIBTS also provides the regional antenatal testing programme and specialist immunohaematology support to hospital blood banks which are United Kingdom Accreditation Service (UKAS) accredited to the ISO 15189 standard.



Following a UKAS surveillance visit during March 2018, UKAS have confirmed the diagnostic screening and testing laboratories at NIBTS have retained accreditation for ISO:15189:2012. These laboratories include antenatal and blood group reference testing.

1.6 Resources, principal risks and uncertainties

NIBTS has developed a Risk Management Strategy that identifies our objectives and risks and sets out a control strategy for each of the significant risks. Procedures have been established to verify that aspects of risk management and internal control system are regularly reviewed and reported on.

Risk management is fully incorporated into the corporate planning and decision making processes of the organisation.

This includes the development of corporate and departmental risk registers which identify, evaluate and manage risk. As a Blood Establishment, risk management is embedded in all key activities, including the Good Manufacturing Practice (GMP) activities related to the management of change, incidents and validation.

The key risks for NIBTS in the next year is the maintenance of adequate blood and platelet stocks. These risks are underpinned by the need to recruit and retain sufficient donors. Appropriate controls to mitigate these risks are in place.

Whilst the extent of funding available during this period is unclear, NIBTS is required to deliver its services efficiently, ensuring value for money with maximum productivity. As a consequence, we will develop a number of work streams to support these objectives which will be agreed with the HSCB and DoH.

1.7 Performance Summary

As Chief Executive I am satisfied that the organisation has, during 2017/18, made substantive progress across its key objectives, precise detail is provided in the Performance Analysis section below:

- Maintained an adequate panel of blood donors
- Collected, tested, processed and issued high quality blood components
- Met the demand for blood components
- Met regulatory requirements
- Maintained relevant licences
- Achieved financial breakeven
- Paid suppliers in accordance with prompt payment requirements

1.8 Going Concern

NIBTS provides a key service within the health service in Northern Ireland and is the sole supplier of blood and blood products in the region. As such, it will continue to operate as a going concern reflecting the ongoing demand for this service.

2. Performance Analysis

2.1 Assessment of Performance

In 2017/18, DoH NI agreed 36 objectives for NIBTS. 28 of these objectives were fully achieved. These objectives cross a number of themes including those relating to our core function of collecting blood and issuing blood components. Of the eight objectives not fully achieved, two were not met and six of these recorded partial progress. The areas not achieved related to corporate absence rate target and annual appraisal. In addition Investors In People (IiP) was not achieved in 2017/18, however, this related to the rescheduling of the assessment in 2018/19 year. The six areas indicating partial achievement involved; 1) Maintain an active donor panel of 60,000 +/- 3%, 2) Develop HR strategy, 3) Introduce platelet additive solutions for buffy coat derived platelet components, 4) Conduct and implement recommendations from process mapping exercise, 5) Develop equipment management process to include formal annual re-qualification and 6) Complete a review of IT services.

The table below summarises whole blood collection/plateletpheresis activity over the past two years. As shown, blood collection has reduced, and this is line with a reduction in demand (issues) from hospitals. 2017/18 was the second year of the updated donor programme strategy 2016-2020, with activity generally in line with forecasts - apart from platelet demand which did not result in the small projected increase.

Donation Activity in 2017/18 and 2016/17

	2017/18	2016/17
Whole blood donations	43,207	47,978
Whole blood attendance	49,753	56,846
New donor attendance	4,988	6,412
Donor panel	57,684	61,951
Plateletpheresis donations	4,434	4,632
Haemochromatosis donations	499	564
Total donations	48,140	54,954
Deferral rate (%) - of overall attendance	15.2	15.6
- of new donors	14.91	23.1

Blood Component Issues in 2017/18 and 2016/17

Blood Component	2017/18	2016/17
Red cell units (adult)	41,273	45,040
Platelets (adult therapeutic doses)	7,789	8,629
Fresh Frozen Plasma components	3,868	5,412
Pooled cryoprecipitate	1,049	1,254

Donors

By the end of the year, donor satisfaction was at 98% (2016/17 - 99%) as assessed through donor comment cards. The average waiting time to commence donation was stable at around 27 minutes (2016/17 - 27 minutes) across all donation venues.

The active donor panel consists of 57,684 volunteers at year end with 4,988 new donors attending throughout the year.

2.2 Long Term Objectives/Corporate Plan

This section sets out the key issues faced by the Agency during 2017/18 as well as areas expected to influence the 2018/19 Business Plan and the longer term corporate outlook.

2.2.1 Blood Safety Initiatives

The advisory committee for the Safety of Blood, Tissues and Organs recommended a number of important changes in donor eligibility rules. Deferral periods have been reduced for complementary therapy, non-qualified acupuncture, endoscopy and major surgery.

Discretionary testing rules have also been altered for foreign travel incidents favouring earlier donor re-entry.

2.2.2 Research and Development

The blood group reference laboratory has introduced molecular testing for human platelet genotype HPA1. This test is clinically important for neo natal medicine and a condition which is associated with fatal bleeding complications. The test had previously been outsourced to NHSBT. Local testing offers significant advantages in terms of turnaround time and clinical management of cases.

2.2.3 Clinical Audit and Haemovigilance

Collaborative working between the Northern Ireland Transfusion Committee and the NIBTS medical team has delivered a number of significant advances in the last 12 months:

- Implementation of NICE clinical practice guideline NG 24
- Regional protocol for massive haemorrhage and blood component transfusion
- Clinical protocol for pre hospital resuscitation care of casualties
- Regionally applied bedside checklist for medical and nursing staff administering blood transfusions
- Regionally applied protocol for pre transfusion assessment of at risk patients for a complication of transfusion - transfusion associated circulatory overload- which is associated with significant morbidity

2.2.4 Blood Collection

2017/18 was the second year of the four-year Blood Donation Strategy which introduced a revised collection programme. This revised collection programme is likely to continue to reflect the projected reduction in demand for red cells. A new double-pod BloodMobile ordered in 2016/17 was constructed and delivered in March 2018. Plans for a second plateletpheresis collection unit in Omagh are currently under review pending completion of the NIBTS platelet strategy.

2.2.5 Organisational Change

Recommendations and actions flowing from Health and Wellbeing 2026, as well as the Expert Panel's Report 2016 have continued to influence the Agency's strategic goals and ambition. In particular, proposals for modernising HSC Pathology Services highlight NIBTS's pivotal role and its unique regulatory environment within the HSC. A range of proposals for reform of pathology services are under consideration.

2.2.6 Integration of Supply Chain

Pathology modernisation across the region provides the opportunity to integrate the supply chain. This would enable NIBTS to manage the supply of blood from donor to patient. This has the potential to maximise inventory, reduce waste and lead to the development of common standards across blood banks for testing and issue and would facilitate compliance with the blood safety and quality regulations.

2.2.7 Quality - Ensuring governance and compliance

In addition to the two licences and one accreditation that must be maintained and are critical to the ongoing operation of the service NIBTS is also subject to inspection by the Regulatory and Quality Improvement Authority (RQIA). The organisation is also obliged, via its governance framework, to ensure it retains Investors in People accreditation.

To support the maintenance of these licences and accreditations, robust quality management processes and systems are embedded and are fully functioning across NIBTS.

In addition, there is a need to continue to develop the Controls Assurance framework according to DoH standards and provide relevant information to the NIBTS Board, Audit Committee and Governance and Risk Management Committee in relation to progress against relevant actions.

2.3 Impacts on Financial Position in 2017/18 and Looking Forward

NIBTS is committed to sound financial management and ensuring that the objectives of NIBTS are met in the most efficient and effective way. NIBTS, in common with other HSC organisations, is required to deliver cash release efficiency savings each year. During 2017/18, NIBTS achieved the agreed cash release target and funding reduction for the year amounting to 3.6% of the 2016/17 baseline.

The primary financial performance objective of NIBTS is to break even on an annual basis. To meet the breakeven definition, any surplus or deficit must be contained within 0.25% of the Revenue Resource Limit (RRL) plus income from activities.

The financial statements are shown in pages 54 to 78 and are prepared in accordance with Article 90(2) of the Health and Personal Social Services (NI) Order 1972 as amended by Article 6 of the Audit and Accountability (NI) Order 2003 and comply with relevant accounting standards.

The Statement of Comprehensive Net Expenditure shows a surplus of £0.007m (2017: £0.002m surplus). Against RRL plus income from activities of £22.590m (2017: £21.508m), this represents a surplus of 0.03% (2017: 0.01%). Accordingly, the breakeven objective for the year has been achieved.

During the year NIBTS received income of £22.212m (2017: £21.255m). This comprised £6.506m (2017: £6.381m) in respect of Haemophilia Blood Products and Patient Testing Services from the Health and Social Care Board and £15.702m (2017: £14.868m) for the supply of blood and blood products from HSC Trusts. Other income amounted to £0.004m (2017: £0.006m).

During the year the NIBTS spent £22.583m (2017: £21.506m). The majority of the expenditure was on Clinical Supplies and Services £14.255m (63%). The average number of whole time equivalent persons employed during the year was 164.8 (2017: 169.2) and expenditure on these staff amounted to £5.906m (26%) (2017: £6.061m/28%). The remaining 11% of expenditure was on other expenditure £2.044m (9%) (2017: £1.918m/9%) and Non-cash items £0.378m (2%) (2017: £0.253m/1%).

NIBTS also invests each year in laboratory equipment, vehicles, ICT and building infrastructure to provide the capital assets essential for the running of the service. During the year capital income and expenditure amounted to £0.298m and £0.297m respectively. Capital income was comprised of £0.013m from sale of assets and £0.285m from DoH.

NIBTS is required to comply with the Better Payments Practice Codes and Government Accounting Rules. These require trader invoices to be paid within thirty days of receipt of a valid invoice. This constitutes another important performance measure for the service. During the past year 93% of invoices were paid within thirty days. In terms of the value of invoices, 97% was paid within 30 days.

The key financial issue looking forward is the ability of NIBTS to achieve the required level of efficiency savings which is noted above as a risk. The cost implications of the changing profile of product demand (platelets and red cells demand falling) will require evaluation and may provide opportunity for cost improvement.

Within the bounds of the prudent use of public funds the Agency, in its role as a supplier of critical blood and blood products to hospitals, is a viable organisation. The Agency operates with a capital asset base of approximately £10m and new capital schemes are funded by DoH.

2.4 Environmental, Social and Community Issues

During 2017/18, the Agency continued to progress its environmental objectives. This Sustainable Development Plan included the monitoring of energy performance including electricity, steam and water consumption. Together with the Environmental Management Controls Assurance Action Plan, the Sustainable Development Plan will inform actions designed to improve the relevant Controls Assurance Standard Compliance score.

The Agency is committed to reducing its carbon footprint by reducing greenhouse gas emissions by an average of 1% each year on 2012/13 levels until 2025. The Agency has continued to reduce its consumption of water in its operational activities. During the latter stages of 2017/18, the Agency has replaced older fluorescent lighting in the majority of its laboratory areas with more energy efficient LED bulbs as a means to continue to reduce energy use in its premises. Works completed in other areas of the main Headquarters building throughout 2017/18, included the replacement of lighting with more energy efficient sources, including in the main Donation Reception and Suite, Staff rooms and meeting rooms.

Measures such as those described above will help to ensure the Agency makes progress in reaching its overall target of a 1% reduction in its carbon footprint each year until 2025. The Agency will continue to work with Estates Professionals within the Belfast Health and Social Care Trust to achieve these aims.

2.5 Employees and Board Members

NIBTS employed 202 staff for 2017/18 and reported a sickness absence rate of 8.35 % (2016/17: 7.5%). The target for absence in 2017/18 was <6%. More detailed information is provided in the Remuneration and Staff Reports on pages 32-40.

2.6 Pension Liabilities

The treatment of pension liabilities is detailed in the Remuneration and Staff Report on page 32-40.

2.7 Information Governance

The Agency had one data breach incident during 2017/18. The matter was reported to the Information Commissioners Office. No further formal action was taken by ICO. However, recommendations were made and the Agency took steps to address.

2.8 Emergency/Business Continuity Plans

NIBTS will continue to further develop and test its emergency planning protocols and business continuity plans in line with the relevant DoH standards.

NIBTS continues to participate in the DoH Emergency Forum and UK Blood Service Emergency Planning and Business Continuity Group. The NIBTS participated in on-going regional preparations for a mass casualty event. The Business Continuity Plan was also tested in 2017/18.



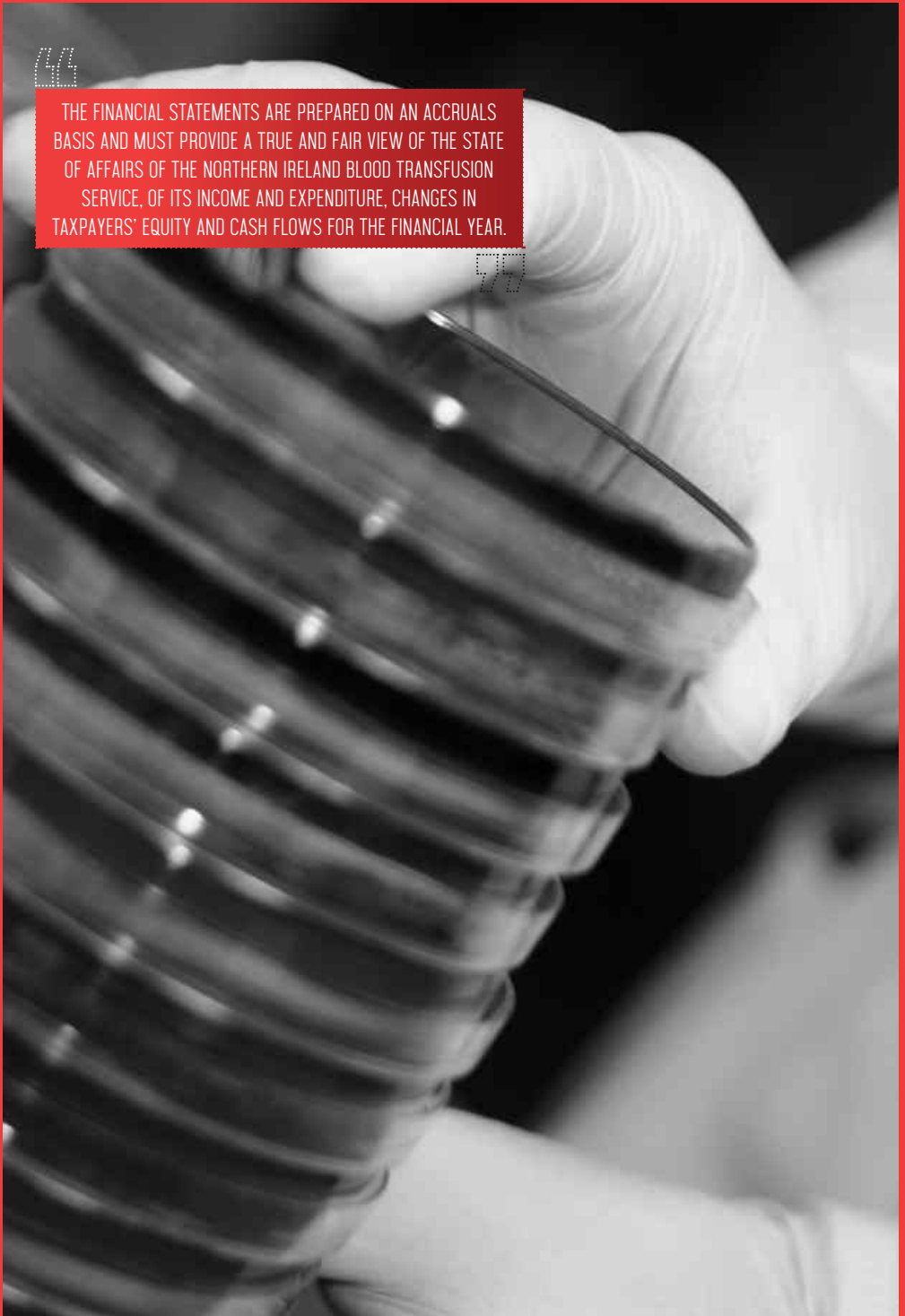
Mrs K Jackson
Accounting Officer
28 June 2018



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THE FINANCIAL STATEMENTS ARE PREPARED ON AN ACCRUALS BASIS AND MUST PROVIDE A TRUE AND FAIR VIEW OF THE STATE OF AFFAIRS OF THE NORTHERN IRELAND BLOOD TRANSFUSION SERVICE, OF ITS INCOME AND EXPENDITURE, CHANGES IN TAXPAYERS' EQUITY AND CASH FLOWS FOR THE FINANCIAL YEAR.

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ACCOUNTABILITY REPORT

1. Corporate Governance Report

The Corporate Governance Report sets out the key governance fora within the Agency and, where applicable their role in reporting to the Agency Board. In addition, the Corporate Governance Report provides further data via the Governance Statement with regard to the role and function of the Committees. The report also provides further detail on the framework for Business Planning, Risk Management and Information Risk.

Directors' Report

The NI Blood Transfusion Service Agency (NIBTS) is governed by an Agency Board with the following offices:

Chairman	Mr Jim Lennon
Non-Executive Members (NEM)	Mrs Lorraine Lindsay Mr Ian Henderson Mr Philip Cathcart
Chief Executive	Mrs Karin Jackson


During 2017/18, the Board met on seven occasions. Meetings are publically advertised and are usually held in NIBTS HQ.

The Agency Board has three sub-committees. The Audit Committee met on four occasions, the Governance and Risk Management Committee met on four occasions and the Remuneration Committee met once in 2017/18.

Operational management is provided through the Senior Management Team (SMT) which meets each week. It provides quality assured data and information for the Board. The SMT considers a range of issues including:

- Progress against objectives set by DoH
- Progress against corporate objectives declared in the annual business plan and corporate plan
- Finance and budgetary control report and
- Quality Management System performance review

NIBTS has prepared a set of accounts which are included in this report for the year ended 31 March 2018. These have been prepared in accordance with Article 90(2)(a) of the Health and Personal Social Services (Northern Ireland) Order 1972, as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003, in a form directed by the Department of Health.



NIBTS positively promotes the objectives and principles of equality of opportunity and observes all of its statutory obligations in relation to all of the Section 75 groups in the Northern Ireland Act (1998).

NIBTS maintains a Register of Interests for Board members and Senior Management Team (SMT) to identify any potential conflict of interest. None of the Board or SMT members has undertaken any material transactions with NIBTS during the year. The Register can be reviewed by contacting the Chief Executive's office.

NIBTS did not make any charitable donations in 2017/18.

The Northern Ireland Audit Office (NIAO) is responsible for the audit of NIBTS accounts. The notional cost of the audit for the year ended 31 March 2018 which pertained solely to the audit of the accounts was £10,000 and £1,000 for Trust Funds. During the year, the Agency purchased no other non-audit services from NIAO.

In 2017/18, all relevant information was made available to the auditor. The Chief Executive and Board members have confirmed there is no relevant audit information of which the auditors are unaware. They have taken all steps required to make themselves aware of any relevant audit information and to establish that NIBTS's auditor is aware of that information.

The Chief Executive has confirmed that the annual report and accounts as a whole is fair, balanced and understandable and that she takes personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

There are no events occurring after the balance sheet date that would have a material effect on the accounts.

One data breach was reported to the ICO during the year. NIBTS is a Public Sector Information Holder and has complied with the requirements set out in HM Treasury and the Office of Public Sector Information guidance.

Statement of Accounting Officer Responsibilities

Under the Health and Personal Social Services (Northern Ireland) Order 1972 (as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003). The Department of Health has directed the Northern Ireland Blood Transfusion Service to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The financial statements are prepared on an accruals basis and must provide a true and fair view of the state of affairs of the Northern Ireland Blood Transfusion Service, of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

In preparing the financial statements the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual (FREM) and in particular to:

- observe the Accounts Direction issued by the Department of Health including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in FREM have been followed, and disclose and explain any material departures in the financial statements
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Northern Ireland Blood Transfusion Service will continue in operation
- keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Northern Ireland Blood Transfusion Service
- pursue and demonstrate value for money in the services the Northern Ireland Blood Transfusion Service provides and in its use of public assets and the resources it controls

The Permanent Secretary of the Department of Health as Principal Accounting Officer for Health and Social Care Resources in Northern Ireland has designated Mrs K Jackson of Northern Ireland Blood Transfusion Service as the Accounting Officer for the Northern Ireland Blood Transfusion Service. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Northern Ireland Blood Transfusion Service's assets, are set out in the Accountable Officer Memorandum, issued by the Department of Health.

Governance Statement

1. Introduction / Scope of Responsibility

The Board of the Northern Ireland Blood Transfusion Service (NIBTS) is accountable for internal control. As Accounting Officer and Chief Executive of the Board, I have responsibility for maintaining a sound system of internal governance that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am responsible in accordance with the responsibilities assigned to me by the Department of Health (DoH).

In essence, the role of Accounting Officer is to see that NIBTS carries out the following functions in a way that ensures proper stewardship of public money and assets:

- To meet statutory financial duties;
- To meet all relevant regulatory requirements;
- To enter into and fulfil service level agreements with commissioners; and
- To maintain and develop relationships with donors, commissioners and suppliers.

NIBTS is accountable to the DoH for the performance of these functions and participates in two formal accountability review meetings per annum with DoH.

The NIBTS works in partnership with the DoH by agreeing and progressing annual objectives and has key relationships with the Health and Social Care Board (HSCB) and HSC Trusts, through established service level agreements, to deliver services to agreed specifications. NIBTS also works closely with the Business Service Organisation who provide a range of services under a service level agreement and with other groups such as the Communities Partnership.

2. Compliance with Corporate Governance Best Practice

The Board of NIBTS applies the principles of good practice in Corporate Governance and continues to further strengthen its governance arrangements. The Board of NIBTS does this by undertaking continuous assessment of its compliance with Corporate Governance best practice by completing the Board Governance Self-Assessment Tool as issued by DoH. The current assessment undertaken in September 2017 indicates that there are no significant departures from best practice identified in the tool. However, there are some opportunities for continuous improvement and an action plan to facilitate this has been developed.

3. Governance Framework

In accordance with the Northern Ireland Blood Transfusion Service (Special Agency) (Establishment and Constitution) Order (Northern Ireland) 1994, NIBTS has a Board of Directors whose members are appointed by the DoH.

The Board consists of a Non-Executive Chair, three Non-Executive members and the Chief Executive. The Medical Director attends and participates in Board meetings. In 2017/18 the Board met on seven occasions.

Mrs K Jackson was appointed interim Chief Executive with effect from 1 October 2016 on a temporary basis for up to two years. This tenure has been extended for a further year until 30 September 2019.

The NIBTS governance framework is described in the NIBTS Board Assurance Framework document which has been developed in keeping with the guidance issued by the DoH. The framework is based on accountability and reporting for all activities undertaken by NIBTS thereby facilitating robust assurance to the Board. This assurance framework aims to harness the existing risk management activity to resolve uncertainties and deepen NIBTS' understanding of these aspects of governance.

The NIBTS Board oversees NIBTS' activities to ensure that governance and management arrangements are effective. The Board must be assured that they will be able to identify and manage risks inherent in the provision of services by the organisation.


The Board determines the level of assurance required to manage the principal risks and take stock of the various forms of assurance available to them. The Assurance Framework provides a tool by which the Board can monitor the effectiveness of internal control.

As noted at point 2 above, the operation of the Board was assessed in September 2017 against best practice using the Board Governance Self-Assessment Tool. The current self-assessment indicates that the Board operates with no significant departure from the best practice identified in the tool.

The Board has three sub-committees. These are the Audit Committee; the Governance and Risk Committee; and the Remuneration Committee.

Audit Committee

The Audit Committee is chaired by a NEM and consists of three Non-Executive Board members. The committee met three times during the year and was attended by Internal Audit, External Audit, the Finance Manager and other Senior Managers, as required.



The key role of the Audit Committee is to review the effectiveness of the internal financial control systems and advise the Board on the strategic processes for internal control; accounting policies and the annual accounts.

The Audit Committee reviewed internal and external audit reports including the Head of Internal Audit's Annual Opinion, and reported any material matters arising to the NIBTS Board. The Audit Committee also advised and updated the Board on the internal and external audit reports received.

The Audit Committee has completed in December 2017 the Audit Committee Self-Assessment checklist and found no significant divergences in its operation from the best practice identified in the checklist.

Governance and Risk Committee

The Governance and Risk Committee is chaired by a NEM and consists of the remaining two Non-Executive Board members. Senior Managers and the Business Continuity and Risk Manager attended meetings during the year as required. The Committee met four times during 2017/18.

The Committee ensures that there are robust and regularly reviewed systems and structures in place to support the effective implementation and development of integrated governance and risk management systems across the organisation. Risk management is a planned and systematic approach to identifying, evaluating and responding to risks and providing assurance that responses are effective and ensuring principal risks and significant gaps in controls and assurances are considered by the Board in a timely fashion.

Remuneration Committee

The Remuneration Committee is chaired by the Board Chairman and consists of the Non-Executive members. The Committee met once during the year.

The role of the Remuneration Committee is to advise the Board about appropriate remuneration and terms of service for the Chief Executive and any senior executive.

Board and Committee Attendance Record

Attendance at the meetings of the Board and its sub committees was as follows:

	Board	Audit Committee	Governance and Risk	Remuneration Committee
Mr J Lennon - Chairman	6 of 7	-	-	1 of 1
Mr I Henderson - Non Executive	7 of 7	3 of 3	4 of 4	1 of 1
Mrs L Lindsay - Non Executive	6 of 7	3 of 3	4 of 4	1 of 1
Mr P Cathcart - Non Executive	6 of 7	2 of 3	3 of 4	1 of 1
Mrs K Jackson - Chief Executive	7 of 7	-	3 of 4	-

No Audit Committee, Governance and Risk Committee or Remuneration Committee performance issues were raised as part of the Board Governance Self-Assessment.


4. Framework for Business Planning and Risk Management

Business planning and risk management is at the heart of governance arrangements to ensure that statutory obligations and ministerial priorities are properly reflected in the management of business at all levels within the organisation.

Business Planning

In drawing up the annual business plan the Chief Executive and Senior Management Team discuss key issues affecting the service, develop appropriate objectives for the year ahead and prepare an initial draft.

The initial draft forms the basis of formal business planning consultation meetings which take place during the autumn with middle manager groups, who also discuss the draft plan with staff at their individual team and section meetings. Feedback from the consultation process is documented and factored into revised objectives and the business plan, as appropriate. More widely there is a range of communication channels designed to provide information to staff via face to face and electronic means. Staff are also represented by Trade Union organisations via the organisations Joint Negotiation and Consultative Committee (JNCC).



DoH guidance in relation to business planning for arm's length bodies is considered and specific DoH objectives and requirements are included. The business plan is reviewed against the corporate risk register so that all risks are addressed in the plan. The Agency also produces a Corporate Plan which sets out the strategic direction of the organisation for the next four years. This document is approved by the DoH.

The performance and achievement of business plan objectives and associated key performance indicators are monitored through regular reporting of progress to the Senior Management Team and the Agency Board. In addition, reports are provided to DoH on progress against objectives and these form part of the Accountability Review process held twice a year.

As detailed in Performance Analysis (page 13) above, NIBTS achieved breakeven in 2017/18 and has a balanced financial plan in place for 2018/19.


Risk Management

NIBTS has developed a Risk Management Strategy which has identified the organisation's objectives and risks and sets out a control strategy for each of the significant risks. The Risk Management Strategy is also supported by policies and procedures and incorporates training and development plans appropriate to the level of responsibility.

The Risk Management Strategy clearly outlines the risk management arrangements in place within the organisation. They include the following:

- Risk management is an intrinsic part of NIBTS's business planning, decision making process and policy development. No change of direction, outcome or objective occurs without first considering the risks involved;
- Risks are assessed and monitored through an NIBTS corporate risk register which records all significant identified risks, along with action plans to reduce the risk to the lowest practicable level or to a level acceptable to the NIBTS Senior Management Team. The corporate risk register is reviewed on a quarterly basis by the Governance and Risk Management Committee and presented to the NIBTS Board; and
- The Governance and Risk Management Committee takes a holistic approach to risk that addresses all areas of NIBTS. The Committee reviews the development and performance of the organisation's risk management processes.

Procedures have been put in place for verifying that aspects of risk management and internal control are regularly reviewed and reported on and that risk management has been incorporated fully into the corporate planning and decision making process



of the organisation. This includes the development of corporate, operational and departmental risk registers which are used to identify and evaluate risk. The registers are formally reviewed quarterly and this process is used to identify new risks as well as reviewing existing risks. Identification of risk takes account of factors such as incident reporting, complaints, risk assessments as well as staff responsibility to report any risks to which they or the Agency may be exposed. The registers also detail factors used to control and mitigate risk. Risk management is embedded in all key activities including the management of change, incidents and validation. These mechanisms provide for effective risk identification.

Risks are assessed in keeping with DoH guidance which has been refined to reflect the specialist activities undertaken by NIBTS.

This work was overseen by the Governance and Risk Management Committee throughout 2017/18.

Risk management is integral to the training for all staff, as relevant to their grade, both at induction and in service. During 2017/18 Risk Management training was completed by 87% of NIBTS staff. To support staff through the risk management process, expert guidance and facilitation has been available along with access to policies and procedures, outlining responsibilities and the means by which risks are identified and controlled.

5. Information Risk

The management of information within NIBTS remains a high priority. An Information Governance resource is in place to ensure that the information governance agenda is effectively progressed. NIBTS has in place a range of information governance and ICT security policies and procedures. Information governance risks are reported through the risk management process as applicable. Action plans have been developed and progressed following previous audits, Data Protection reviews and Controls Assurance reviews. These action plans are approved by, and progress reported to, the Board. Information Asset Owners (IAOs) who have responsibility for identification and management of information risks in their areas have been identified and trained across the Agency. Information Asset Registers have been established in each area by IAOs. The Head of HR and Corporate Services acts as the Senior Information Risk Owner and has a key role in considering emerging information risks and how these risks may be managed. In addition, Data Protection Awareness Training is mandatory for all staff and is undertaken by e-learning and new staff are provided with specific Information Governance training sessions. Information Governance training was completed by 65% of NIBTS staff in 2017/18.

During the year there was one incident of data loss reported to the Information Commissioner's Office (ICO).

The organisation is taking appropriate steps and carrying out the necessary actions to ensure it is appropriately prepared for GDPR by May 2018.

NIBTS complies with HSC Security Policies and is conscious of the risk posed to information security by malware and other similar attacks. As such, cybersecurity measures such as client antivirus, email protection, full disk encryption are aligned with those within the broader HSC. A proactive vulnerability assessment and remediation approach is also followed within the organisation.

6. Public Stakeholder Involvement

The Blood Transfusion Service Communities Partnership (BTSCP), comprising of two groups (one based in Belfast and one based in County Tyrone) continue to help meet our obligations in respect of Personal and Public Involvement (PPI). BTSCP groups met on a number of occasions throughout the year.

The Partnership continues to focus on blood donation session organisation, donor recruitment and consultation. In addition, complaints monitoring and management is a standing agenda item at the meetings. Complaints are managed under a well-established system Procedure for Processing Complaints and Other Contacts (SOP:94:BD017:NIBT). During 2017/18, 7 formal complaints were received, investigated and closed. This is a reduction from the previous year. Reports are presented quarterly and at year-end to the NIBTS Governance and Risk Management Committee. Information and complaints received from donors may be used to improve NIBTS practices and procedures where appropriate.

7. Fraud

NIBTS takes a zero tolerance approach to fraud in order to protect and support our key public services. We have put in place an Anti-Fraud Policy and Fraud Response Plan to outline our approach to tackling fraud, define staff responsibilities and the actions to be taken in the event of suspected or perpetrated fraud, whether originating internally or externally to the organisation. Our Fraud Liaison Officer (FLO) promotes fraud awareness, co-ordinates investigations in conjunction with the BSO counter Fraud and Probity Services team and provides advice to personnel on fraud reporting arrangements. All staff are provided with mandatory fraud awareness training in support of the Anti-Fraud Policy and Fraud Response plan, which are kept under review and updated as appropriate every five years.

8. Assurance

The Board is responsible for ensuring high standards of corporate governance with effective systems of internal control. Regular reports on risk management are presented to the Board for review. The level of compliance with Controls Assurance Standards

is subject to self-assessment and the self-assessment of four of the standards was reviewed by internal audit in 2017/18. Reports to address any non-compliances are presented to the Board for review and approval of associated action plans.

The Board, through the Audit Committee, receives assurance on the effectiveness of internal financial control systems. The Audit Committee reviews internal and external reports including the Head of Internal Audit's Annual Opinion on the Effectiveness of the System of Internal Control. Internal Audit is an independent function which operates in accordance with Public Sector Internal Audit Standards. The Board also reviews reports arising from external inspections and assessments, endorses the relevant action plans and monitors progress against the action plans.

During the year, the Governance and Risk Management Committee ensured that there were robust and regularly reviewed systems and structures in place to support the effective implementation and development of integrated governance and risk management systems across the organisation. This Committee reported all relevant matters to the NIBTS Board. During 2018/19, NIBTS expects to continue to enhance the effectiveness of the systems of internal control through the review and update of the NIBTS Assurance Framework.

The Board considers that the information and assurance provided to it is of sufficient quality to support it and the Accounting Officer in their decision making and accountability obligations. This view is determined following completion of the Board Governance Self-Assessment Tool (September 2017) and by taking account of relevant comments by respective auditors.

Controls Assurance Standards

NIBTS assessed its compliance with the applicable Controls Assurance Standards which were defined by the Department and against which a degree of progress is expected in 2017/18. Action plans are in place for all Controls Assurance Standards.

NIBTS achieved the following levels of compliance for 2017/18.

Standard	DoH Expected Level of Compliance	Agency Level of Compliance	Reviewed by:
Buildings, land, plant and non-medical equipment	75%-99% Substantive	82% Substantive	Self Assessment
Emergency Planning	75%-99% Substantive	85% Substantive	Self Assessment
Financial Management (<i>Core Standard</i>)	75%-99% Substantive	85% Substantive	Internal Audit
Fire safety	75%-99% Substantive	82% Substantive	Internal Audit
Fleet and Transport Management	75%-99% Substantive	85% Substantive	Self Assessment
Governance (<i>Core Standard</i>)	75%-99% Substantive	83% Substantive	Internal Audit
Health & Safety	75%-99% Substantive	81% Substantive	Self Assessment
Human Resources	75%-99% Substantive	83% Substantive	Self Assessment
Information Communication Technology	75%-99% Substantive	87% Substantive	Self Assessment
Management of Purchasing	75%-99% Substantive	84% Substantive	Self Assessment
Medical Devices and Equipment Management	75%-99% Substantive	85% Substantive	Self Assessment
Medicines Management and Optimisation	75%-99% Substantive	85% Substantive	Self Assessment
Information Management	75%-99% Substantive	81% Substantive	Self Assessment
Research Governance	75%-99% Substantive	81% Substantive	Self Assessment
Risk Management (<i>Core Standard</i>)	75%-99% Substantive	86% Substantive	Internal Audit
Security Management	75%-99% Substantive	81% Substantive	Self Assessment
Waste Management	75%-99% Substantive	83% Substantive	Self Assessment
Environmental Management	75%-99% Substantive	78% Substantive	Self Assessment

To improve the Environmental Management score, NIBTS will review the Environmental Management Policy; set waste and environmental targets; promote 'green' issues and implement the environmentally friendly travel plan.

9. Sources of Independent Assurance

NIBTS obtains independent assurance from the following sources:

Internal Audit

NIBTS utilises an internal audit function which operates to defined standards and whose work is informed by an analysis of risk to which the body is exposed and annual audit plans are based on this analysis.

In 2017/18, Internal Audit reviewed the following systems:

Financial Review	Satisfactory Assurance
Management of Laboratory Expenditure	Satisfactory Assurance
Review of Sessional Timesheets	Satisfactory Assurance
Risk Management	Satisfactory Assurance
Year End Stocktake	Satisfactory Assurance

In the five audit areas noted above, no Priority 1 and 5 Priority 2 weaknesses in control were identified.

In their Annual Report, the Head of Internal Audit provided the overall opinion that there is a satisfactory system of internal control designed to meet the Agency's objectives. Recommendations to address the control weaknesses identified by internal audit have been, or are being, implemented.

Northern Ireland Audit Office (NIAO)

The financial statements are audited by NIAO and the certificate and report to the Northern Ireland Assembly is included on page 43. The NIAO provides a Report to Those Charged With Governance with recommendations and these are acted upon.

RQIA

The RQIA has, in the past, undertaken reviews on NIBTS activities. However, no audits of NIBTS were undertaken by RQIA in 2017/18.



Other Regulatory Bodies

All core services provided by NIBTS are subject to regulatory inspection and /or accreditation.

Legislation (Medicines Act 1968 and Blood Safety and Quality Regulations 2005/50 (as amended) requires that the Agency possess appropriate licences in order to perform its core functions. The Agency holds the relevant licences and undergoes inspection by the Medicines and Healthcare Product Regulatory Agency (MHRA) on a regular basis to ensure compliance with the relevant standards. The last inspection, in June 2017 has been closed post agreement of an action plan to address those issues raised. The next inspection is scheduled for June 2019.

NIBTS is also inspected by the United Kingdom Accreditation Service (UKAS) against ISO15189. NIBTS obtained ISO:15189:2012 accreditation in 2017 and have retained this accreditation post a UKAS surveillance visit in March 2018.

Business Services Organisation (BSO)

The Business Services Organisation (BSO) is responsible for providing NIBTS with a range of services through a Service Level Agreement. In 2017/18, these services included procurement, income, payments, payroll, recruitment and legal services.

BSO provides service monitoring and assurance reports during the year and a final year end assurance letter once the BSO's Governance Statement has been ratified. To support NIBTS Audit Committee considerations, a provisional assurance letter has been provided by BSO. The provisional assurance letter reported that significant weaknesses in control were identified by BSO Internal Audit in relation to payroll during 2017/18. NIBTS received assurance that BSO will continue to address the weaknesses identified and will pursue continuing improvements to the system of internal control in 2018/19.

One weakness identified in payroll resulted in the need to recalculate employer's superannuation contributions. The financial consequences of this recalculation have been included in 2017/18 financial statements. It is expected that this matter will be fully resolved in 2018/19 year.

10. Review of Effectiveness of the System of Internal Governance

As Accounting Officer, I have responsibility for the review of effectiveness of the system of internal governance. My review of the effectiveness of the system of internal governance is informed by the work of the internal auditors and the executive managers within NIBTS who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications

of the result of my review of the effectiveness of the system of internal control by the Board, Audit Committee and Governance and Risk Committee and a plan to address weaknesses and ensure continuous improvement to the system is in place.

11. Internal Governance Divergences

Update on Prior Year Control Issues Now Resolved

There were no significant control issues or internal governance divergences identified in the prior year.

New Significant Control Issues

There were no significant control issues or internal governance divergences identified in the year.

12. European Union (EU) Exit

NIBTS is actively scoping the potential impact of a 'no deal' outcome from the UK-EU negotiations on the services it provides, in line with the information provided by the Department. The process will continue to be refined as more clarity emerges on the detail of the final agreement.

13. Budget Position and Authority

The Northern Ireland Assembly was dissolved from 26 January 2017 with an election taking place on 2 March 2017, on which date Ministers ceased to hold office. An Executive was not formed following the 2 March 2017 election. As a consequence, the Northern Ireland Budget Act 2017 was progressed through Westminster, receiving Royal Assent on 16 November 2017, followed by the Northern Ireland Budget (Anticipation and Adjustments) Act 2018 which received Royal Assent on 28 March 2018. The authorisations, appropriations and limits in these Acts provide the authority for the 2017/18 financial year and a vote on account for the early months of the 2018/19 financial year as if there were Acts of the Northern Ireland Assembly.

14. Conclusion

NIBTS has a rigorous system of accountability upon which I can rely as Accounting Officer to form an opinion on the probity and use of public funds, as detailed in Managing Public Money NI (MPMNI).

Further to considering the accountability framework within NIBTS and in conjunction with assurances given to me by the Head of Internal Audit, I am content that NIBTS has operated a sound system of internal governance during the period 2017/18.

2. Remuneration and Staff Report

The Remuneration and Staff Report sets out the role of the Non-Executive Board Members Remuneration Committee and in particular the Committees adherence to appropriate Remuneration Policy including relevant DoH circulars and Agenda for Change term and conditions.

Remuneration Report

Remuneration Committee

The Board of the Agency, as set out in its Standing Orders and Standing Financial Instructions has delegated certain functions to the Remuneration Committee including the provision of advice and guidance to the Board on matters of salary and contractual terms of the Chief Executive, guided by DoH policy. The membership of this committee during 2017/18 consisted of Mr J Lennon (Chairman), Mr I Henderson, Mr P Cathcart and Mrs L Lindsay (Non-Executive Board Members). The Remuneration Committee met once during the year.

Remuneration Policy

All staff within NIBTS are paid in accordance with circulars issued by DoH. All non-medical staff are covered by Agenda for Change terms and Conditions of Service Handbook and were paid in accordance with Agenda for Change Terms and Conditions.

All medical staff were paid in accordance Pay and Conditions of Service: Remuneration of Hospital Medical and Dental Staff and Doctors in Public Health Medicine and the Community Health Service.

Service Contracts

The Chief Executive, Mrs K Jackson, took up post on 1 October 2016 on a temporary basis for up to two years. This tenure has been extended for a further year until 30 September 2019. Mrs Jackson is on secondment from Belfast Heath and Social Care Trust and is paid through Belfast Health and Social Care payroll and the cost recharged to NIBTS.

During 2017/18, Dr K Morris was Medical Director of NIBTS. Dr Morris was employed under a contract issued in accordance with HSC Medical Consultant Terms and Conditions of Service (Northern Ireland) 2004. The Medical Director has a permanent Contract of Employment with continuation subject to satisfactory performance. A three months' notice period is to be provided by either party except in the event of summary dismissal. There is nothing to prevent either party waiving the right to notice or from accepting payment in lieu of notice.

Termination Payment

There is a statutory provision for termination payments only, as detailed in the contracts of senior management. There were no payments made to directors in respect of compensation for loss of office during 2017/18.

Salary and Pension Entitlements

The following sections provide details of the remuneration and pension interests of senior management and Board members.



Senior Management Remuneration (Audited) 2017/18

2016/17

Name	Salary (£000)	Bonus / Performance Pay £000	Benefits in Kind (to nearest £100)	Pension Benefits (£'000)	Total (£000)	Salary £000	Bonus / Performance Pay £000	Benefits in Kind (to nearest £100)	Pension benefits (£'000)	Total (£000)
Mr J Lennon (Chairman)	5-10	-	-	-	5-10	5-10	-	-	-	5-10
Mrs L Lindsay (Non-Executive Member)	0-5	-	-	-	0-5	0-5	-	-	-	0-5
Mr I Henderson (Non-Executive Member)	0-5	-	-	-	0-5	0-5	-	-	-	0-5
Mr P Cathcart (Non-Executive Member)	0-5	-	-	-	0-5	0-5	-	-	-	0-5
Mrs K Jackson (Chief Executive)*	80-85	-	-	12	95-100	40-45 (80-85 full year equivalent)	-	-	-	40-45 (80-85 full year equivalent)
Dr K Morris (Medical Director)	145-150	-	-	77	225-230	135-140	-	-	20	155-160
Highest Paid Director Total Remuneration	225-230	-	-			155 - 160	-	-	-	
Median Total Remuneration	19.7	-	-			19.5	-	-	-	
Ratio	11.5	-	-			8.1	-	-	-	

The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation of any increase or decreases due to a transfer of pension rights.

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid Director in their organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest paid Director in NI Blood Transfusion Service in the financial year 2017-18 was £225k - £230k (2016-17, £155k - £160k). This was 11.5 times (2016-17, 8.1) the median remuneration of the workforce, which was £19.7k (2016-17, £19.5). Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The change in ratio is due to an increase in salary for the highest paid Director in accordance with HSC Medical Consultant Terms and Conditions of Service and the associated increase in pension benefit. It is expected that the pension benefit increase will relate only to 2017/18 year.

Pensions of Senior Management (Audited)

	Real increase in pension and related lump sum at age 60 £000	Total accrued pension at age 60 as at 31/03/18 and related lump sum £000	CETV at 31/03/17 £000	CETV at 31/03/18 £000	Real increase in CETV £000
Mrs K Jackson Pension Lump sum	0-2.5 0-(2.5)	15-20 35-40	256	276	11
Dr Morris Pension Lump sum	2.5-5.0 10-12.5	50-55 150-155	922	1,042	87

* Mrs K Jackson was appointed Chief Executive from 1 October 2016 on a temporary basis for up to two years. Mrs Jackson is paid through Belfast Health and Social Care Trust payroll and the cost recharged to NIBTS. This is included under 'Others' in staff costs below.

'Salary' includes gross salary, overtime, on call and other allowances. There were no bonuses paid or benefits in kind provided to senior management during 2017/18 or 2016/17.

Non-Executive members do not receive pensionable remuneration, therefore there are no entries in respect of pensions for Non-Executive members.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the HSC pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV - This reflects the increase in CETV effectively funded by the employer. It takes account the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Pension contributions deducted from individual employees are dependent upon the level of remuneration receivable and are deducted using a scale applicable to the level of remuneration received by the employee.

Payments to Past Directors (Audited)

There were no payments made to past directors during the year (2016/17: nil)

Staff Report**Staff Costs (Audited)**

	2018		2017	
Staff costs comprise:	Permanently employed staff £000s	Others	Total	Total
Wages and salaries	4,686	138	4,824	4,908
Social security costs	425	0	425	451
Other pension costs	657	0	657	702
Sub-total	5,768	138	5,906	6,061
Capitalised staff costs	0	0	0	0
Total staff costs reported in Statement of Comprehensive Expenditure	5,768	138	5,906	6,061
Less recoveries in respect of outward secondments			0	0
Total net costs			5,906	6,061
Total Net costs of which:			£000s	£000s
NI Blood Transfusion Service			5,906	6,061
Charitable Trust Fund			0	0
Total			5,906	6,061

No staff costs were charged to capital projects during the year (2017 £nil).

The Agency participates in the HSC Superannuation Scheme. Under this multi-employer defined benefit scheme both the Agency and employees pay specified percentages of pay into the scheme and the liability to pay benefit falls to the DoH. The Agency is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis.

The costs of early retirements are met by the Agency and charged to the Statement of Comprehensive Net Expenditure at the time the Agency commits itself to the retirement.

As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the statement of financial position date and updates it to reflect current conditions. The 2016 valuation for the HSC Pension scheme updated to reflect current financial conditions (and a change in financial assumption methodology) is used in the 2017-18 accounts.

Average Number of Persons Employed (Audited)

The average number of whole time equivalent (WTE) staff employed during the year was as follows:

Category	2018			2017
	Permanently employed staff No.	Others	Total	Total
Medical and dental	3.2	0.9	4.1	4.1
Nursing and midwifery	48.0	1.2	49.2	49.1
Ancillaries	6.6	0.6	7.2	8.2
Administrative and clerical	44.5	2.9	47.4	50.5
Other professionals and technical	55.4	1.5	56.9	57.3
Total average number of persons employed	157.7	7.1	164.8	169.2
Less average staff number relating to capitalised staff costs				
Less average staff number in respect of outward secondments				
Total net average number of persons employed	157.7	7.1	164.8	169.2
Of which:				
NI Blood Transfusion Service			164.8	
Charitable Trust Fund				
Total			164.8	

Reporting of early retirement and other compensation scheme - exit packages (Audited)

Exit package cost band	*Number of other departures agreed		Total number of exit packages by cost band	
	2018	2017	2018	2017
£10,001-£25,000	2	0	2	0
£25,001-£50,000	1	0	1	0
Total number of exit packages by type	3	0	3	0
	£000s	£000s	£000s	£000s
Total resource cost	66	0	66	0

*Redundancy and other departure costs have been paid in accordance with the provisions of the HSC Pension Scheme Regulations and the Compensation for Premature Retirement Regulations, statutory provisions made under the Superannuation Act 1972. Exit costs are accounted for in full in the year in which the exit package is approved and agreed and are included as operating expenses at note 3. Where early retirements have been agreed, the additional costs are met by the employing authority and not by the HSC pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

Staff Benefits

There were no staff benefits paid in 2017/18 or in 2016/17.

Retirements due to ill-health

During 2017/18 there was one early retirements from the Agency, agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £3K. These costs are borne by the HSC Pension Scheme.

Off Payroll Engagements

There were no 'off-payroll' engagements at a cost of over £58,200 per annum in place during 2017/18 (2016/17: Nil).

Consultancy Expenditure

There were no consultancy costs paid in 2017/18 or in 2016/17.

Staff Composition

The Agency employs a range of staff under a number of occupational groupings. This includes professional and technical, administrative and clerical, medical, nursing and ancillary grades.

As at 31/03/2018, the Agency employed a total of 202 staff (158.4 whole time equivalents). This figure included 193 staff employed on permanent contracts and 9 staff on temporary and/or fixed term contracts, including non-executive Board members.

The gender profile of staff employed by the Agency for the period was 60 male and 142 female.

For the senior manager group of employees (those defined as earning in excess of £68,000 p.a.) the gender breakdown of officers was three male and two female members of staff.

Sickness data

During 2017/18, the Agency was required to comply with the Departmental target of improving or maintaining sickness absence rates on 2016/17 levels. For the period ended 31/03/2018 the Agency did not achieve this target.

Cumulative absence for the workforce as a whole was 8.35%. Long term sickness, that is sickness lasting for four weeks or more, accounted for 6.67% with the remaining 1.68% of employee sickness attributable to short-term absences.

Staff Policies

The Agency has in place a robust recruitment and selection policy which is regularly reviewed. All staff who are involved with the selection of staff for employment are required to undertake mandatory training as well as separate equality awareness training. Equality and diversity is also a core dimension discussed formally with each member of staff via the annual staff review process. Applicants for posts within the Agency who declare a disability are given full and fair consideration at all stages.

During 2017/18 the Agency was not aware of any existing employee who became disabled. In such circumstances, the Agency will always engage with Occupational Health professionals and will fulfil all of its legal obligations and in particular the duty to make reasonable adjustments and to consider retraining and reallocation of duties whenever possible. During 2017/18 the Agency made a particular effort to engage with staff members to update their equality data in order for the organisation to better understand the composition of the workforce including those with disabilities.

Employees of the Agency who declare a disability, or who are known by the Agency to be disabled, enjoy the same benefits in terms of training, career development and promotion as those members of staff without disabilities.

ACCOUNTABILITY AND AUDIT REPORT

The Accountability and Audit report provides detail of all audited losses and special payments during 2017/18 as well as confirmation of no remote contingent liability. Details of fees and charges confirmation of long term expenditure and financial planning is also provided.

Funding Report

Losses and Special Payments (Audited)

Type of loss and special payment	2017-18		2016-17
	Number of cases	£	£
Stores losses			
Losses of accountable stores through any deliberate act	0	0	0
Other stores losses	6	13,058	14,247
	6	13,058	14,247
Special Payments			
Compensation payments;	0	0	10,000
- Clinical Negligence	0	0	10,000
TOTAL	6	13,058	24,247

There were no other losses, special payments, gifts or other payments made during the year.

Fees and Charges (Audited)

There were no fee and charges payments made during the year.

Remote Contingent Liabilities (Audited)

In addition to contingent liabilities reported within the meaning of IAS 37, the NI Blood Transfusion Service also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability. NIBTS had no such liabilities as at 31 March 2018.

Long Term Expenditure Trends and Plans

It is anticipated that for the foreseeable future the current pattern of NIBTS expenditure will be maintained. The level of future expenditure will be influenced by a projected fall in demand for red cells and for platelets. Plans to address these changes in demand have been developed. In addition, any changes in the supply arrangements for immunoglobulin products will impact on the income and expenditure of NIBTS. In terms of financial management and control, a financial plan is prepared and approved by the Agency Board at the beginning of each financial year and budgets are established. Financial performance is monitored and reviewed through detailed financial reporting on a monthly basis. An aggregate summary of the financial position to date and forecast year end position is presented by the Finance Manager to each meeting of the Agency Board.

NIBTS will continue to invest each year in laboratory equipment, vehicles, ICT and building infrastructure to provide the capital assets essential for the running of the service.

Regularity of Expenditure (Audited)

The Agency has continued to maintain sound systems of internal control which are designed to safeguard public funds and assets. These systems are subjected to annual internal audit by BSO Internal Audit. DoH guidance on expenditure is reviewed and implemented as appropriate. Approval of NIBTS expenditure is undertaken by a small number of senior staff. NIBTS uses BSO Procurement and Logistics, which is a Centre of Procurement Expertise (CoPE), for goods and services procurements. These processes are aimed at ensuring the regularity of expenditure within NIBTS.



Mrs K Jackson
Accounting Officer
28 June 2018

NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

Opinion on financial statements

I certify that I have audited the financial statements of the Northern Ireland Blood Transfusion Service for the year ended 31 March 2018 under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended. The financial statements comprise: the Group and Parent Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the group's and of Northern Ireland Blood Transfusion Service's affairs as at 31 March 2018 and of the group's and the Northern Ireland Blood Transfusion Service's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended and Department of Health directions issued thereunder.

Opinion on regularity


In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of the Northern Ireland Blood Transfusion Service in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2016, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Other Information

The Northern Ireland Blood Transfusion Service and the Accounting Officer are



responsible for the other information included in the annual report. The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in the report as having been audited, and my audit certificate and report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department of Health directions made under the Health and Personal Social Services (Northern Ireland) Order 1972, as amended; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities of the Northern Ireland Blood Transfusion Service and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer Responsibilities, the Northern Ireland Blood Transfusion Service and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Health and Personal Social Services (Northern Ireland) Order 1972, as amended.

I am required to obtain evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate,

they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

Report

I have no observations to make on these financial statements.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

4 July 2018



FINANCIAL STATEMENTS

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

Foreword

These accounts for the year ended 31 March 2018 have been prepared in accordance with Article 90(2)(a) of the Health and Personal Social Services (Northern Ireland) Order 1972, as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003, in a form directed by the Department of Health.

Certificates of Chairman and Chief Executive

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 54 to 78) which I am required to prepare on behalf of the Northern Ireland Blood Transfusion Service have been compiled from and are in accordance with the accounts and financial records maintained by the Northern Ireland Blood Transfusion Service with the accounting standards and policies for HSC bodies approved by the DoH.



Mrs K Jackson
Chief Executive
28 June 2018

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 54 to 78) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.



Mr J Lennon
Chairman
28 June 2018



Mrs K Jackson
Chief Executive
28 June 2018

NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

Consolidated Statement of Comprehensive Net Expenditure for the year ended 31 March 2018

This account summarises the income and expenditure generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which includes changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

	NOTE	2018		2017	
		£000s		£000s	
		Agency	Consolidated	Agency	Consolidated
Income					
Income from Activities	4.1	22,212	22,212	21,255	21,255
Other operating income*	4.2	0	2	0	0
Total operating income		22,212	22,214	21,255	21,255
Expenditure					
Staff costs	3	(5,906)	(5,906)	(6,061)	(6,061)
Purchase of goods and services	3	(14,406)	(14,406)	(13,450)	(13,450)
Depreciation, amortisation and impairment charges	3	(383)	(383)	(378)	(378)
Provision expense	3	4	4	4	4
Other expenditures	3	(1,892)	(1,913)	(1,621)	(1,621)
Total operating expenditure		(22,583)	(22,604)	(21,506)	(21,506)
Net operating expenditure		(371)	(390)	(251)	(251)
Finance income	4.2	0	6	0	5
Net expenditure for the year		(371)	(384)	(251)	(246)
Revenue Resource Limit (RRL)	24.1	378	378	253	253
Add back charitable trust fund net expenditure*		0	13	0	(5)
Surplus against RRL		7	7	2	2

OTHER COMPREHENSIVE EXPENDITURE

	NOTE	2018		2017	
		£000s		£000s	
		Agency	Consolidated	Agency	Consolidated
Items that will not be reclassified to net operating costs:					
Net gain/(loss) on revaluation of property, plant and equipment	5.1/8/5.2/8	636	636	255	255
Net gain/(loss) on revaluation of charitable assets	7	0	(6)	0	32
TOTAL COMPREHENSIVE EXPENDITURE for the year ended 31 March		265	246	4	41

The notes on pages 54 to 78 form part of these accounts.

*All funds have been used by the Agency as intended by the benefactor. It is for the Board to manage the internal disbursements. The Board ensures that charitable donations received by the Agency are appropriately managed, invested, expended and controlled, in a manner that is consistent with the purposes for which they were given and with the Agency's Standing Financial Instructions, Departmental guidance and legislation. All such funds are allocated to the area specified by the benefactor and are not used for any other purpose than that intended by the benefactor.

NORTHERN IRELAND BLOOD TRANSFUSION SERVICE


Consolidated Statement of Financial Position as at 31 March 2018

This statement presents the financial position of NI Blood Transfusion Service. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

	NOTE	2018		2017	
		Agency	Consolidated	Agency	Consolidated
		£000s		£000s	
Non Current Assets					
Property, plant and equipment	5.1/5.2	10,219	10,219	9,685	9,685
Intangible assets	6.1/6.2	30	30	17	17
Financial assets	7	0	226	0	232
Total Non Current Assets		10,249	10,475	9,702	9,934
Current Assets					
Inventories	10	1,636	1,636	1,746	1,746
Trade and other receivables	12	1,100	1,100	756	756
Other current assets	12	48	48	20	20
Cash and cash equivalents	11	232	232	474	747
Total Current Assets		3,016	3,016	2,996	2,996
Total Assets		13,265	13,491	12,698	12,930
Current Liabilities					
Trade and other payables	13	(2,027)	(2,040)	(2,013)	(2,013)
Provisions	15	(8)	(8)	(10)	(10)
Total Current Liabilities		(2,035)	(2,048)	(2,023)	(2,023)
Total assets less current liabilities		11,230	11,443	10,675	10,907
Non Current Liabilities					
Provisions	15	(9)	(9)	(13)	(13)
Total Non Current Liabilities		(9)	(9)	(13)	(13)
Total assets less total liabilities		11,222	11,435	10,662	10,894
Taxpayers' Equity and other reserves					
Revaluation reserve		8,894	8,894	8,310	8,310
SoCNE reserve		2,328	2,328	2,352	2,352
Other reserves - charitable fund		0	213	0	232
Total Equity		11,222	11,435	10,662	10,894

The financial statements on pages 47 to 51 were approved by the Board on 28 June 2018 and were signed on its behalf by;

The notes on pages 54 to 78 form part of these accounts.

Signed:  (Chairman) Date: 28 June 2018

Signed:  (Chief Executive) Date: 28 June 2018



NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

Consolidated Statement of Cash Flows for the year ended 31 March 2018

The Statement of Cash Flows shows the changes in cash and cash equivalents of the NI Blood Transfusion Service during the reporting period. The statement shows how the NI Blood Transfusion Service generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by the NI Blood Transfusion Service. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the NI Blood Transfusion Service future public service delivery.

	NOTE	2018 £000s	2017 £000s
Cash flows from operating activities		(384)	(246)
Net surplus after interest/Net operating expenditure	3	378	253
Adjustments for non cash costs (Increase)/Decrease in trade and other receivables	12	(372)	(376)
Decrease/(Increase) in inventories	10	110	417
Increase in trade payables	13	27	93
<i>Less movements in payables relating to items not passing through the NEA</i>			
Movements in payables relating to the purchase of property, plant and equipment	5	205	(188)
Movements in payables relating to the purchase of intangibles	6	17	(17)
Use of provisions	15	(2)	(5)
Net cash inflow/(outflow)from operating activities		(21)	(69)
Cash flows from investing activities			
(Purchase of property, plant & equipment)	5	(486)	(153)
(Purchase of intangible assets)	6	(33)	0
Proceeds of disposal of property, plant & equipment		13	138
Share of income reinvested		0	(5)
Net cash outflow from investing activities		(506)	(20)
Cash flows from financing activities			
Grant in aid		285	244
Net financing		285	244
Net increase / (decrease) in cash & cash equivalents in the period		(242)	155
Cash & cash equivalents at the beginning of the period	11	474	319
Cash & cash equivalents at the end of the period	11	232	474

The notes on pages 54 to 78 form part of these accounts.

NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2018

This statement shows the movement in the year on the different reserves held by NI Blood Transfusion Service. The Statement of Comprehensive Net Expenditure (SoCNE) Reserve reflects a contribution from the Department of Health. The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The SoCNE Reserve represents the total assets less liabilities of the NI Blood Transfusion Service, to the extent that the total is not represented by other reserves and financing items.

	NOTE	SoCNE Reserve £000s	Revaluation Reserve £000s	Charitable Fund £000s	Total £000s
Balance at 31 March 2016		2,258	8,147	195	10,600
Changes in Taxpayers Equity 2016-17					
Grant from DoH		244	0	0	244
Other reserves movements including transfers		92	(92)	0	0
(Comprehensive expenditure for the year)		(251)	255	37	41
Non cash charges - auditors remuneration	3	9	0	0	9
Balance at 31 March 2017		2,352	8,310	232	10,894
Changes in Taxpayers Equity 2017-18					
Grant from DoH		285	0	0	285
Other reserves movements including transfers		52	(52)	0	0
(Comprehensive expenditure for the year)		(371)	636	(19)	246
Non cash charges - auditors remuneration	3	10	0	0	10
Balance at 31 March 2018		2,328	8,894	213	11,435

The notes on pages 54 to 78 form part of these accounts.

NOTE 1 STATEMENT OF ACCOUNTING POLICIES

1. Authority

These accounts have been prepared in a form determined by the Department of Health based on guidance from the Department of Finance's Financial Reporting Manual (FReM) and in accordance with the requirements of Article 90(2)(a) of the Health and Personal Social Services (Northern Ireland) Order 1972 No 1265 (NI 14) as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003.

The accounting policies follow IFRS to the extent that it is meaningful and appropriate to HSC bodies. Where a choice of accounting policy is permitted, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Agency for the purpose of giving a true and fair view has been selected. The Agency's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts, unless otherwise stated.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant, equipment and investments.

1.2 Currency and Rounding

These accounts are presented in UK Pounds sterling. The figures in the accounts are shown to the nearest £1,000.

1.3 Property, Plant and Equipment

Property, plant and equipment assets comprise Land, Buildings, Transport Equipment, Plant & Machinery, Information Technology and Assets Under Construction.

Recognition

Property, plant and equipment must be capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the Agency;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £1,000, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

-
- Items form part of the initial equipping and setting-up cost of a new building or unit, irrespective of their individual or collective cost.

On initial recognition property, plant and equipment are measured at cost including any expenditure such as installation, directly attributable to bringing them into working condition. Items classified as “under construction” are recognised in the Statement of Financial Position to the extent that money has been paid or a liability has been incurred.

Valuation of Land and Buildings

Land and buildings are carried at the last professional valuation, in accordance with the Royal Institute of Chartered Surveyors (Statement of Asset Valuation Practice) Appraisal and Valuation Standards in so far as these are consistent with the specific needs of the HSC.

The last valuation was carried out on 31 January 2015 by Land and Property Services (LPS) which is an independent executive within the Department of Finance (formerly Department of Finance and Personnel (DoF)). The valuers are qualified to meet the ‘Member of Royal Institution of Chartered Surveyors’ (MRICS) standard.

Professional revaluations of land and buildings are undertaken at least once in every five year period and are revalued annually, between professional valuations, using indices provided by LPS.

Land and buildings used for the Agency’s services or for administrative purposes are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Fair values are determined as follows:

- Land and non-specialised buildings – open market value for existing use;
- Specialised buildings – depreciated replacement cost; and
- Properties surplus to requirements – the lower of open market value less any material directly attributable selling costs, or book value at date of moving to non-current assets.

Modern Equivalent Asset

DoF has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. Land and Property Services (LPS) have included this requirement within the latest valuation.

Assets Under Construction (AUC)

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Assets are revalued and depreciation commences when they are brought into use.

Short Life Assets

Short life assets are not indexed. Short life is defined as a useful life of up to and including 5 years. Short life assets are carried at depreciated historic cost as this is not considered to be materially different from fair value and are depreciated over their useful life.

Where estimated life of fixtures and equipment exceed 5 years, suitable indices will be applied each year and depreciation will be based on indexed amount.

Revaluation Reserve

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure.

1.4 Depreciation

No depreciation is provided on freehold land since land has unlimited or a very long established useful life. Items under construction are not depreciated until they are commissioned. Properties that are surplus to requirements and which meet the definition of 'non-current assets held for sale' are also not depreciated.

Otherwise, depreciation is charged to write off the costs or valuation of property, plant and equipment and similarly amortisation is applied to intangible non-current assets, less any residual value, over the lower of their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. Assets held under finance leases are also depreciated over the lower of their estimated useful lives and the terms of the lease. The estimated useful life of an asset is the period over which the Agency expects to obtain economic benefits or service potential from the asset. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. The following asset lives have been used.

Asset Type	Asset Life
Freehold Buildings	25 - 60 years
Leasehold property	Remaining period of lease
IT Assets	3 - 10 years
Intangible assets	3 - 10 years
Other Equipment	3 - 15 years

1.5 Impairment loss

If there has been an impairment loss due to a general change in prices, the asset is written down to its recoverable amount, with the loss charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure within the Statement of Comprehensive Net Expenditure. If the impairment is due to the consumption of economic benefits the full amount of the impairment is charged to the Statement of Comprehensive Net Expenditure and an amount up to the value of the impairment in the revaluation reserve is transferred to the Statement of Comprehensive Net Expenditure Reserve. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited firstly to the Statement of Comprehensive Net Expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

1.6 Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure which meets the definition of capital restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

The overall useful life of the Agency's buildings takes account of the fact that different components of those buildings have different useful lives. This ensures that depreciation is charged on those assets at the same rate as if separate components had been identified and depreciated at different rates.

1.7 Intangible assets

Intangible assets include any of the following held – software, licences, trademarks, websites, development expenditure, Patents, Goodwill and intangible Assets under Construction. Software that is integral to the operating of hardware, for example an operating system is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use;
- the intention to complete the intangible asset and use it;
- the ability to sell or use the intangible asset;
- how the intangible asset will generate probable future economic benefits or service potential;
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the Agency's business or which arise from contractual or other legal rights. Intangible assets are considered to have a finite life. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the Agency; where the cost of the asset can be measured reliably. All single items over £5,000 in value must be capitalised while intangible assets which fall within the grouped asset definition must be capitalised if their individual value is at least £1,000 each and the group is at least £5,000 in value.

The amount recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date of commencement of the intangible asset, until it is complete and ready for use.

Intangible assets acquired separately are initially recognised at fair value. Following initial recognition, intangible assets are carried at fair value by reference to an active market, and as no active market currently exists depreciated replacement cost has been used as fair value.

1.8 Non-current assets held for sale

The Agency has no non-current assets held for sale.

Property, plant or equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

1.9 Inventories

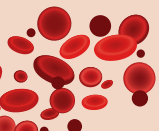
Inventories are valued at the lower of cost and net realisable value. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

1.10 Income

Operating Income relates directly to the operating activities of the Agency and is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable.

Grant in aid

Funding received from other entities, including the Department and the Health and Social Care Board are accounted for as grant in aid and are reflected through the Statement of Comprehensive net Expenditure Reserve.



1.11 Investments

The Agency does not have any investments other than Trust Funds. Trust Funds are invested using the Northern Ireland Health and Social Services Charities Common Investment Fund and are shown at market value as at the balance sheet date.

1.12 Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

1.13 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.14 Leases

The Agency had no leases during the year (2016/17: none).

1.15 Private Finance Initiative (PFI) transactions.

The Agency has had no PFI transactions during the year (2016/17: none).

1.16 Financial instruments

Financial assets

Financial assets are recognised on the Statement of Financial Position when the Agency becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are initially recognised at fair value.

Financial liabilities

Financial liabilities are recognised on the Statement of Financial Position when the Agency becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Financial liabilities are initially recognised at fair value.

Financial risk management

IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the relationships with HSC Commissioners, and the manner in which they are funded, financial instruments play a more limited role within HSC bodies in creating risk than would apply to a non-public sector body of a similar size, therefore HSC bodies are not exposed to the degree of financial risk faced by business entities.

HSC bodies have limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day to day operational activities rather than being held to change the risks facing the HSC bodies in undertaking activities. Therefore the HSC is exposed to little credit, liquidity or market risk.

Currency risk

The Agency is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The Agency has no overseas operations. The Agency therefore has low exposure to currency rate fluctuations.

Interest rate risk

The Agency has limited powers to borrow or invest and therefore has low exposure to interest rate fluctuations.

Credit risk

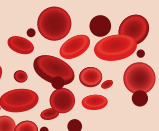
Because the majority of the Agency's income comes from contracts with other public sector bodies, the Agency has low exposure to credit risk.

Liquidity risk

Since the Agency receives the majority of its funding through its principal Commissioner which is voted through the Assembly, it is therefore not exposed to significant liquidity risks.

1.17 Provisions

In accordance with IAS 37, Provisions are recognised when the Agency has a present legal or constructive obligation as a result of a past event, it is probable that the Agency will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties.



Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using DoF-issued discount rates of:

Rate	Time Period	Real Rate
Short-term	0-5 years	-2.42%
Medium-term	5-10 years	-1.85%
Long-term	10+ years	-1.56%

The discount rate to be applied for employee early departure obligations is +0.10% with effect from 31 March 2018.

The Agency has also disclosed the carrying amount at the beginning and end of the period, additional provisions made, amounts used during the period, unused amounts reversed during the period and increases in the discounted amount arising from the passage of time and the effect of any change in the discount rate.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Agency has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

The Agency has no restructuring provisions.

1.18 Contingencies

The Agency had no contingent liabilities at either 31 March 2018 or 31 March 2017.

1.19 Employee benefits

Short-term employee benefits

Under the requirements of IAS 19: Employee Benefits, staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave that has been earned at the year end. This cost has been estimated using staff numbers and costs applied to the untaken leave balance determined from the results of a survey to ascertain leave balances as at 31 March 2018. It is not anticipated that the level of untaken leave will vary significantly from year to year.

Retirement benefit costs

The Agency participates in the HSC Pension Scheme. Under this multi-employer defined benefit scheme both the Agency and employees pay specified percentages of pay into the scheme and the liability to pay benefit falls to the DoH. The Agency is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis.

The costs of early retirements are met by the Agency and charged to the Statement of Comprehensive Net Expenditure at the time the Agency commits itself to the retirement.

As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the statement of financial position date and updates it to reflect current conditions. The 2016 valuation for the HSC Pension Scheme updated to reflect current financial conditions (and a change in financial assumption methodology) is used in 2017-18 accounts.

1.20 Reserves

Statement of Comprehensive Net Expenditure Reserve

Accumulated surpluses are accounted for in the Statement of Comprehensive Net Expenditure Reserve.

Revaluation Reserve

The Revaluation Reserve reflects the unrealised balance of cumulative indexation and revaluation adjustment to assess other than donated assets.

Charitable Fund Reserve

This relates to the balance held in NIBTS Charitable Trust fund accounts.

1.21 Value Added Tax

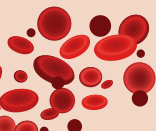
Where output VAT is charged or input VAT is recoverable, the amounts are stated net of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets.

1.22 Third party assets

The Agency does not hold any third party assets.

1.23 Government Grants

The Agency does not receive any government grants.



1.24 Losses and Special Payments

Losses and special payments are items that the Assembly would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had HSC bodies not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses and compensations register which reports amounts on an accruals basis with the exception of provisions for future losses.

1.25 Charitable Trust Account Consolidation

The Agency is required to consolidate the accounts of controlled charitable organisations and funds held on trust into their financial statements. As a result the financial performance and funds have been consolidated. The Agency has accounted for these using merger accounting as required by the FReM.

It is important to note however the distinction between public funding and the other monies donated by private individuals still exists.

All funds have been used by the Agency as intended by the benefactor. It is for the Board to manage the internal disbursements. The Board ensures that charitable donations received by the Agency are appropriately managed, invested, expended and controlled, in a manner that is consistent with the purposes for which they were given and with the Agency's Standing Financial Instructions, Departmental guidance and legislation. All such funds are allocated to the area specified by the benefactor and are not used for any other purpose than that intended by the benefactor.

1.26 Accounting Standards that have been Issued but have not yet been Adopted

Under IAS 8 there is a requirement to disclose those standards issued but not yet adopted.

The IASB issued new and amended standards (IFRS 10, IFRS 11 & IFRS 12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures. These standards were effective with EU adoption from 1 January 2014.

Accounting boundary IFRS' are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on Office of National Statistics (ONS) control criteria, as designated by Treasury. A similar review in NI, which will bring NI departments under the same adaptation, has been carried out but a decision has yet to

be made by the Executive. Should the Executive agree to the recommendations, the accounting boundary for departments will change and there will also be an impact on departments around the disclosure requirements under IFRS 12. ALBs apply IFRS in full and their consolidation boundary may change as a result of the new Standards.

Management consider that any other new accounting policies issued but not yet adopted are unlikely to have a significant impact on the accounts in the period of the initial application.

1.27 Impact of implementation of ESA 2010 on research and development expenditure

Following the introduction of the 2010 European System of Accounts (ESA10), there has been a change in the budgeting treatment (a change from the revenue budget to the capital budget) of research and development (R&D) expenditure. The Agency had no research and development expenditure in 2017/18 and hence no further disclosures are required.

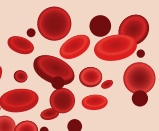
1.28 Judgements and key sources of estimation uncertainty

No judgements have been made in the process of applying the above accounting policies (apart from those involving estimates). There were no key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

NOTE 2 ANALYSIS of NET EXPENDITURE by SEGMENT

The core business and strategic objective of NI Blood Transfusion Service is the supply of blood products and related services to hospitals in Northern Ireland and the provision of patient testing services.

The Agency Board acts as the Chief Operating Decision Maker and receives financial information on the Agency as a whole and makes decisions on this basis. Hence, it is appropriate that the Agency reports on a single operational segment basis.



NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 3 EXPENDITURE

	2018		2017	
	£000s		£000s	
Operating Expenses are as follows:-	Agency	Consolidated	Agency	Consolidated
Staff costs ¹ :				
Wages and salaries	4,824	4,824	4,908	4,908
Social security costs	425	425	451	451
Other pension costs	657	657	702	702
Recharges from other HSC organisations	10	10	10	10
Supplies and services - Clinical	14,255	14,255	13,274	13,274
Supplies and services - General	53	53	63	63
Establishment	319	319	350	350
Transport	301	301	243	243
Premises	1,014	1,033	886	886
BSO services	88	88	103	103
Training	60	60	40	40
Miscellaneous expenditure ²	199	201	223	223
Non cash items				
Depreciation	380	380	371	371
Amortisation	3	3	7	7
(Profit) on disposal of property, plant & equipment (excluding profit on land)	(11)	(11)	(130)	(130)
Increase / Decrease in provisions (provision provided for in year less any release)	(4)	(4)	(4)	(4)
Auditors remuneration ³	10	11	9	10
Add back of notional charitable expenditure	0	(1)	0	(1)
TOTAL	22,583	22,604	21,506	21,506

¹ Further detailed analysis of staff costs is located in the Staff Report on page 37 within the Accountability Report.

² Miscellaneous expenditure includes the following material amounts: Waste Disposal £35k; UK Forum Recharges £45k; Hire of Halls £26k; Record Storage £13k and Regulatory Body fees £20k.

³ During the year the Agency purchased no non audit services from its external auditor (NIAO).



NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 4 INCOME

4.1 Income from Activities

	2018		2017	
	£000s		£000s	
	Agency	Consolidated	Agency	Consolidated
GB/Republic of Ireland Health Authorities	0	0	2	2
HSC bodies	22,208	22,208	21,249	21,249
Non-HSC:- Private patients	4	4	4	4
Total	22,212	22,212	21,255	21,255

4.2 Other operating Income

	2018		2017	
	£000s		£000s	
	Agency	Consolidated	Agency	Consolidated
Charitable income received by charitable trust fund	0	2	0	0
Investment income	0	6	0	5
Total	0	8	0	5

TOTAL INCOME

22,212	22,220	21,255	21,260
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4.3 Deferred Income

The Agency had no deferred income or income released from conditional grants at either 31 March 2018 or 31 March 2017.

NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 5.1 Consolidated Property, plant & equipment - year ended 31 March 2018

	Land £000s	Buildings (excluding dwellings) £000s	Assets under construction £000s	Plant and Machinery (equipment) £000s	Transport Equipment £000s	Information Technology (IT) £000s	Total £000s
Cost or Valuation							
At 1 April 2017	1,680	7,748	50	1,982	340	661	12,461
Indexation	84	591	0	34	12	1	722
Additions	0	0	0	0	274	7	281
Reclassifications	0	0	(50)	0	50	(4)	(4)
Disposals	0	0	0	(354)	(21)	(22)	(394)
At 31 March 2018	1,764	8,339	0	1,662	655	643	13,063

Depreciation

At 1 April 2017	0	508	0	1,467	167	634	2,776
Indexation	0	53	0	25	7	1	86
Reclassification	0	0	0	0	0	(4)	(4)
Disposals	0	0	0	(351)	(21)	(22)	(394)
Provided during the year	0	259	0	68	41	12	380
At 31 March 2018	0	820	0	1,209	194	621	2,844
Carrying Amount							
At 31 March 2018	1,764	7,519	0	453	461	22	10,219
At 31 March 2017	1,680	7,240	50	515	173	27	9,685

Asset Financing - All tangible assets are fully owned by the Agency. No assets relate to Trust Funds. Any fall in value through negative indexation or revaluation is shown as an impairment. The total amount of depreciation charged in the Statement of Comprehensive Net Expenditure Account in respect of assets held under finance leases and hire purchase contracts is £nil (2017 £nil).

Valuation of Land and Buildings

The last valuation of land and buildings was carried out on 31 January 2015 by Land and Property Services (LPS) which is an independent executive within the Department of Finance (formerly Department of Finance and Personnel (DoF)). The valuers are qualified to meet the 'Member of Royal Institution of Chartered Surveyors' (MRICS) standard.

NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 5.2 Consolidated Property, plant & equipment - year ended 31 March 2017

	Land £000s	Buildings (excluding dwellings) £000s	Assets under construction £000s	Plant and Machinery (equipment) £000s	Transport Equipment £000s	Information Technology (IT) £000s	Total £000s
Cost or Valuation							
At 1 April 2016	1,601	7,573	0	1,788	360	759	12,081
Indexation	79	175	0	38	6	1	299
Additions	0	0	50	261	20	10	341
Transfers	0	0	0	(39)	0	0	(39)
Disposals	0	0	0	(66)	(46)	(109)	(221)
At 31 March 2017	1,680	7,748	50	1,982	340	661	12,461

Depreciation

At 1 April 2016	0	248	0	1,466	171	728	2,613
Indexation	0	10	0	30	3	1	44
Transfers	0	0	0	(33)	0	0	(33)
Disposals	0	0	0	(66)	(44)	(109)	(219)
Provided during the year	0	250	0	70	37	14	371
At 31 March 2017	0	508	0	1,467	167	634	2,776

Carrying Amount

At 31 March 2017	1,680	7,240	50	515	173	27	9,685
At 1 April 2016	1,601	7,325	0	322	189	31	9,468

Asset Financing - All tangible assets are fully owned by the Agency. No assets relate to Trust Funds.

NORTHERN IRELAND BLOOD TRANSFUSION SERVICE
 NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 6.1 Consolidated Intangible assets - year ended 31 March 2018

	Software Licenses £000s	Information Technology £000s	Total £000s
Cost or Valuation			
At 1 April 2017	0	68	68
Additions	16	0	16
Reclassifications	4	0	4
At 31 March 2018	20	68	88

Amortisation			
At 1 April 2017	0	51	51
Reclassifications	4	0	4
Provided during the year	0	3	3
At 31 March 2018	4	54	58

Carrying Amount			
At 31 March 2018	16	14	30
At 31 March 2017	0	17	17

Asset Financing - All intangible assets are fully owned by the Agency. No assets relate to Trust Funds.

NOTE 6.2 Consolidated Intangible assets - year ended 31 March 2017

	Software Licenses £000s	Information Technology £000s	Total £000s
Cost or Valuation			
At 1 April 2016	0	51	51
Additions	0	17	17
At 31 March 2017	0	68	68

Amortisation			
At 1 April 2016	0	43	43
Provided during the year	0	8	8
At 31 March 2017	0	51	51

Carrying Amount			
At 31 March 2017	0	17	17
At 31 March 2016	0	8	8

Asset Financing - All intangible assets are fully owned by the Agency. No assets relate to Trust Funds.



NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 7 FINANCIAL INSTRUMENTS 2018

As the cash requirements are met through Grant-in-Aid provided by the Department of Health, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the NI Blood Transfusion Service expected purchase and usage requirements and the NI Blood Transfusion Service is therefore exposed to little credit, liquidity or market risk.

	2018 Investments £000s	2017 Investments £000s
Balance at 1 April	232	195
Additions	8	5
Disposals	(8)	0
Revaluations	(6)	32
Balance at 31 March	<u>226</u>	<u>232</u>
Agency	0	0
Charitable Trust Fund	226	232
	<u>226</u>	<u>232</u>

NOTE 7.1 Market value of investments as at 31 March 2018

	Held in UK £000s	2018 Total £000s	2017 Total £000s
Investment properties	0	0	0
Investments listed on Stock Exchange	0	0	0
Investments in CIF	226	226	232
Investments in a Common Deposit Fund or Investment Fund	0	0	0
Unlisted securities	0	0	0
Cash held as part of the investment portfolio	0	0	0
Investments in connected bodies	0	0	0
Other investments	0	0	0
Total market value of fixed asset investments	<u>226</u>	<u>226</u>	<u>232</u>

NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 8 IMPAIRMENTS

NIBTS did not have any impairments during 2017/18 (2016/17: nil)

NOTE 9 ASSETS CLASSIFIED AS HELD FOR SALE

NIBTS did not hold any assets classified as held for sale in 2017/18 or 2016/17.

NOTE 10 INVENTORIES.

Classification	2018 £000s		2017 £000s	
	Agency	Consolidated	Agency	Consolidated
Clinical Supplies	1,583	1,583	1,681	1,681
General Supplies	7	7	8	8
Establishment	41	41	51	51
Other	5	5	6	6
Total	1,636	1,636	1,746	1,746

NOTE 11 CASH AND CASH EQUIVALENTS

	2018 £000s		2017 £000s	
	Agency	Consolidated	Agency	Consolidated
Balance at 1st April	474	474	319	319
Net change in cash and cash equivalents	(242)	(242)	155	155
Balance at 31st March	232	232	474	474
	2018 £000s		2017 £000s	
The following balances at 31 March were held at	Agency	Consolidated	Agency	Consolidated
Commercial banks and cash in hand	232	232	474	474
Balance at 31st March	232	232	474	474

NORTHERN IRELAND BLOOD TRANSFUSION SERVICE
 NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 12 TRADE RECEIVABLES, FINANCIAL AND OTHER ASSETS

Amounts falling due within one year	2018 £000s		2017 £000s	
	Agency	Consolidated	Agency	Consolidated
Trade receivables	704	704	463	463
VAT receivable	390	390	292	292
Other receivables - not relating to fixed assets	6	6	1	1
Trade and other receivables	1,100	1,100	756	756
Prepayments	48	48	20	20
Other current assets	48	48	20	20
TOTAL RECEIVABLES AND OTHER CURRENT ASSETS	1,148	1,148	776	776

The balances are net of a provision for bad debts of £nil (2017 £nil)

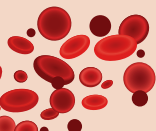
NOTE 13 TRADE PAYABLES, FINANCIAL AND OTHER LIABILITIES

13.1 Trade payables and other current liabilities

Amounts falling due within one year	2018 £000s		2017 £000s	
	Agency	Consolidated	Agency	Consolidated
Other taxation and social security	235	235	212	212
Trade capital payables - property, plant and equipment	4	4	209	209
Trade capital payables - intangibles	0	0	17	17
Trade revenue payables	722	722	1,116	1,116
Payroll payables	160	160	167	167
BSO payables	452	452	36	36
Other payables	1	1	1	1
Accruals	453	466	255	255
Trade and other payables	2,027	2,040	2,013	2,013
TOTAL RECEIVABLES AND OTHER CURRENT LIABILITIES	2,027	2,040	2,013	2,013

13.2 Loans

The Agency did not have any loans payable at either 31 March 2018 or 31 March 2017.



NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 14 PROMPT PAYMENT POLICY

14.1 Trade payables and other current liabilities

The Department requires that the Agency pays their non HSC trade creditors in accordance with applicable terms and appropriate Government Accounting guidance. The Agency's payment policy is consistent with applicable terms and appropriate Government Accounting guidance and its measure of compliance is:

	2018 Number	2018 Value £000s	2017 Number	2017 Value £000s
Total bills paid	3,402	20,707	4,014	18,912
Total bills paid within 30 day target or under agreed payment terms	3,163	20,093	3,870	18,224
% of bills paid within 30 day target or under agreed payment terms	93.0%	97.0%	96.4%	96.4%
Total bills paid within 30 days of receipt of an undisputed invoice*	3,163	20,093	3,870	18,224
% of bills paid within 30 days of receipt of an undisputed invoice	93.0%	97.0%	96.4%	96.4%
Total bills paid within 10 day target	2,320	16,811	3,388	14,798
% of bills paid within 10 day target	68.2%	81.2%	84.4%	78.2%

14.2 The Late Payment of Commercial Debts Regulations 2002

During the year NIBTS paid no compensation or interest for payments being late.

* New late payment legislation (Late Payment of Commercial Debts Regulations 2013) came into force on 16 March 2013. The effect of the new legislation is that a payment is normally regarded as late unless it is made within 30 days after receipt of an undisputed invoice.

From 1 April 2015, the scope of the prompt payment compliance measurement increased to take account of all categories of supplier payments made by HSC bodies, with the only exception being payments made to other organisations within the broader HSCNI.

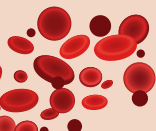
NORTHERN IRELAND BLOOD TRANSFUSION SERVICE
 NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 15 PROVISIONS FOR LIABILITIES AND CHARGES - 2018

	Liability Claims £000s	2018 £000s
Balance at 1 April 2017	23	23
Provided in year	5	5
(Provisions not required written back)	(9)	(9)
(Provisions utilised in the year)	(2)	(2)
Cost of borrowing (unwinding of discount)	0	0
At 31 March 2018	17	17

	2018 £000s	2017 £000s
Comprehensive Net Expenditure Account charges		
Arising during the year	5	12
Reversed unused	(9)	(16)
Total charge within operating expenses	(4)	(4)

	Liability Claims £000s	2018 £000s
Analysis of expecting timing of discounted flows		
Not later than one year	8	8
Later than one year and not later than five years	9	9
At 31 March 2018	17	17



NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

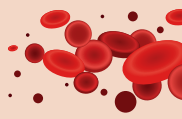
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 15 PROVISIONS FOR LIABILITIES AND CHARGES - 2017

	Pensions relating to other staff £000s	Liability Claims £000s	2017 £000s
Balance at 1 April 2016	16	15	31
Provided in year	0	12	12
(Provisions not required written back)	(16)	0	(16)
(Provisions utilised in the year)	0	(5)	(5)
At 31 March 2017	0	23	23

Provisions have been made for three types of potential liability: early retirement relating to the future liabilities for the Agency Board based on information provided by HSC Superannuation Branch; employment law and clinical negligence claims based on information provided by BSO Legal Services.

	Liability Claims £000s	2017 £000s
Not later than one year	10	10
Later than one year and not later than five years	13	13
At 31 March 2017	23	23



NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 16 CAPITAL COMMITMENTS

	2018 £000s	2017 £000s
Contracted capital commitments at 31 March not otherwise included in these financial statements Property, plant & equipment	0	274
	0	274

NOTE 17: COMMITMENTS UNDER LEASES

17.1 Finance Leases

The Agency had no commitments under finance leases at either 31 March 2018 or 31 March 2017.

17.2 Operating Leases

The Agency had no commitments under operating leases at either 31 March 2018 or 31 March 2017.

NOTE 18 COMMITMENTS UNDER PFI CONTRACTS AND OTHER SERVICE CONCESSION ARRANGEMENTS

The Agency has no PFI contracts.

NOTE 19 OTHER FINANCIAL COMMITMENTS

The Agency did not have any other financial commitments at either 31 March 2018 or 31 March 2017.

NOTE 20 FINANCIAL GUARANTEES, INDEMNITIES AND LETTERS OF COMFORT

The Agency has not entered into quantifiable guarantees, indemnities or provided Letters of Comfort.

NOTE 21 CONTINGENT LIABILITIES

The Agency had no contingent liabilities at either 31 March 2018 or 31 March 2017.

NOTE 22 RELATED PARTY TRANSACTIONS

NI Blood Transfusion Service (Special Agency) is an arms length body of the Department of Health.

During the year NIBTS has had various material transactions with that Department and with other entities for which the Department of Health is regarded as the parent Department. These are:

Belfast HSC Trust, South Eastern HSC Trust, Southern HSC Trust, Northern HSC Trust, Western HSC Trust, Health and Social Care Board and Business Services Organisation.

During the year, none of the board members, members of the key management staff or other related parties has undertaken any material transactions with the Agency.

NOTE 23 THIRD PARTY ASSETS

The Agency does not hold any third party assets.

NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 24 FINANCIAL PERFORMANCE TARGETS

24.1 Revenue Resource Limit

The Agency is given a Revenue Resource Limit which it is not permitted to overspend. The Revenue Resource Limit (RRL) for NI Blood Transfusion Service is calculated as follows:

	2018 Total £000s	2017 Total £000s
Non cash RRL (from DoH)	378	253
Total Revenue Resource Limit to Statement Comprehensive Net Expenditure	378	253

24.2 Capital Resource Limit

The Agency is given a Capital Resource Limit (CRL) which it is not permitted to overspend.

	2018 Total £000s	2017 Total £000s
Gross capital expenditure	297	358
Less (Receipts from sales of fixed assets)	(13)	(138)
Net capital expenditure	284	220
Capital Resource Limit	285	244
Underspend against CRL	(1)	(24)

NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018

24.3 Financial Performance Targets

The NIBTS is required to ensure that it breaks even on an annual basis by containing its net expenditure to within 0.25% of RRL and income from activities.

	2018 £000s	2017 £000s
Net Expenditure	(371)	(251)
RRL	378	253
Surplus against RRL	7	2
Break Even cumulative position (opening)	789	787
Break Even cumulative position (closing)	796	789

RRL and Income from activities

RRL	378	253
Income from activities per note 4.1	22,212	21,255
Total for inclusion in materiality test	22,590	21,508

Materiality Test

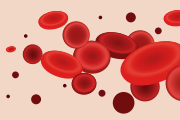
	2018 %	2017 %
Break Even in year position as % of RRL & Income	0.03%	0.01%
Break Even cumulative position as % of RRL & Income	3.52%	3.67%

NOTE 25 EVENTS AFTER THE REPORTING PERIOD

There are no post balance sheet events having a material effect on the accounts.

DATE AUTHORISED FOR ISSUE

The Accounting Officer authorised these financial statements for issue on 4 July 2018.





NORTHERN IRELAND BLOOD TRANSFUSION SERVICE

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